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**DEFENSE CONTRACT MANAGEMENT COMMAND**  
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IN REPLY  
REFER TO **AQ**

**JUL 3 1997**

**MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (ACQUISITION AND TECHNOLOGY)**  
**PRINCIPAL DEPUTY UNDER SECRETARY OF DEFENSE (ACQUISITION AND TECHNOLOGY)**  
**DIRECTOR, DEFENSE PROCUREMENT**  
**DEPUTY UNDER SECRETARY OF DEFENSE (ACQUISITION REFORM)**  
**ASSISTANT SECRETARY OF THE ARMY (RESEARCH, DEVELOPMENT AND ACQUISITION)**  
**ASSISTANT SECRETARY OF THE NAVY (RESEARCH, DEVELOPMENT AND ACQUISITION)**  
**ASSISTANT SECRETARY OF THE AIR FORCE (ACQUISITION)**  
**DIRECTOR, BALLISTIC MISSILE DEFENSE ORGANIZATION**

**SUBJECT: Single Process Initiative (SPI) Quarterly Report, April-June, 1997**

The attached SPI quarterly report for the period ending June 30, 1997 contains an overview of the latest SPI statistics, including estimated annual savings/ cost avoidance and negotiated consideration. It also contains topics which highlight our areas of strategic focus including increasing subcontractor/supplier involvement, targeting high impact processes and focusing on results.

Should you have any questions or concerns regarding information contained in the attached documents, please contact Ms. Marialane Schultz, SPI/Block Change Management Team Leader at (703) 767-2471.

**ROBERT W. DREWES**  
Major General, USAF  
Commander

Attachment

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# *SINGLE PROCESS INITIATIVE QUARTERLY REPORT*

*April 1, 1997 - June 30, 1997*

*prepared by*  
The Defense Contract Management Command  
(DCMC)

July 3, 1997

# ***Single Process Initiative***

## ***Quarterly Report***

***(April 1 - June 30, 1997)***

### **Introduction**

In our last quarterly report we highlighted several strategic objectives for advancing the Single Process Initiative (SPI). This report describes numerous activities initiated to support those objectives. It also discusses our endeavor to measure results, most particularly cost savings and avoidance that can be linked to individual programs. A few examples are provided under “*Measuring Results*”, giving a flavor of how programs have benefited from innovations implemented under SPI. Based on processes now being submitted by contractors, we expect to see more benefits accrue that will facilitate the Department’s goal of buying more affordable systems and products. Indications are significant cost impacts from such processes are likely to occur during FY 1998 due to the lead time for implementing new innovations.

The hard work done over the last 18 months of SPI implementation is beginning to produce the type of results originally anticipated. There is much more to be done to maintain our momentum, such as enhance awareness among both prime and sub contractors, and to channel our efforts toward processes with the greatest potential to yield results. More on these areas as well as program status is highlighted below.

### **Statistics**

Below is a comparison of SPI activity from last quarter to the current quarter. Appendices A through K contain additional details on contractors participating in SPI, proposed processes submitted to date, modifications executed during the current reporting period and more. Appendix B provides demographics of SPI workload activity by Service and by selected buying offices. Appendix D provides details on new contractors participating in the program. Appendix E provides a list of company name changes resulting from recent acquisitions; SPI activities remain unchanged at these facilities.

	<u>June 30, 1997</u>	<u>March 28, 1997</u>	<u>% Change</u>
Proposed processes	941	765	23%
Processes modified	493	376	31%
Contractors participating	202	160	26%
Companies with modifications	148	108	37%
Average cycle-time	134	129	4%

SPI activity is still increasing with processes submitted up 23 percent versus 14 percent reported last quarter. The types of processes submitted by contractors are changing. Early on, most proposed concepts related to quality. Now more proposals are centered around software, calibration, soldering, supplier quality and configuration/data management. Many of these fall into the top cost reducing process categories summarized under “*Targeting High Payoff Processes*” below.

The cycle time for processing concept papers is also increasing slightly due to our increased emphasis on reducing aging concept papers when appropriate. Analysis of root causes for delays indicates, in many instances, a lack of follow-up on administrative details required to execute modifications (e.g., coordinating

modification language). This prompted us to develop forecasting capabilities in our database to anticipate and prevent such delays when possible. One capability is a report generated by the SPI database reflecting average versus actual processing times by process category. Additionally, we are developing criteria for management council use in measuring whether they are making “due progress” in processing concepts. This will enable us to determine whether management councils are meeting the 120 day goal when they should.

## **Cost Savings/Avoidance**

To date, 493 processes have been modified resulting in \$79 million in annual cost savings and avoidance. This is down from \$102 million reported last quarter due to errors discovered in data submitted by our CAO's. Projections over the next five years show over \$280 million in cost avoidance. It should be noted that this information is still incomplete; we expect these figures to grow as DCAA completes its analysis of cost benefits data.

## **Targeting High Payoff Processes**

The Block Change Management Team is pursuing several avenues for identifying high potential processes to share with industry, program offices, and DCMC CAOs. Many DCMC field offices have established criteria to select and prioritize ideas that have the greatest potential under SPI. Once these ideas are selected, contractors begin developing concept papers for Management Council review. Recently, the DCMC HQ SPI Team enhanced the SPI database to track and summarize the top cost reducing processes by category. This new capability allows us to look at both actual and projected returns resulting from innovations implemented under SPI. The summary information below highlights the top six cost reducing process types based on cost benefits information contained in the SPI database.

### **Top Cost Reducing Process Categories**

<u>Categories</u>	<u># of Processes</u>	<u>Annual Cost Avoidance</u>	<u>Savings</u>
Manufacturing	52	\$14.2M	\$.5M
Quality	85	\$12.4M	\$.3M
Business-Work Measurement	45	\$11.3M	\$.2M
Calibration	21	\$9.7M	\$5.4M
Software	17	\$6.4M	--
Data Cost Reporting	14	\$5.2M	--

Another approach underway is the Process Targeting IPT mentioned in our last quarterly report. The Team met several times during the quarter, including a special meeting with industry representatives on June 18, 1997. The purpose of this meeting was to describe the goals and progress of the IPT in our task of determining high payoff processes within a given industry sector. We also wanted to validate our assumptions and get feedback from industry on how best to collect process and cost information. The following companies and associations were represented: Lockheed Martin, McDonnell Douglas, Raytheon, Texas Instruments, Electronics Industries Association and Aerospace Industries Association.

The original plan for the IPT was to choose a prototype sector, identify its high payoff processes and then perform the same analysis on all other sectors. This high payoff process information would then be used as part of our efforts to increase contractor/subcontractor participation in SPI. In general, the industry feedback did not support continuing with the IPT's original plan. Some of the pertinent comments from industry were as follows: 1) There is more process similarity across industry than within a given industry sector. 2) To do this analysis across all industry sectors as originally intended will take a lot of time and resources. It will probably not achieve the desired result, because of facility-unique factors--every facility is different and this top-down approach will not yield information helpful at a particular facility. 3) Continuing DCMC's "grass-roots" effort to identify facility specific cost saving opportunities will probably yield greater results than the IPT's global approach. 4) Future high payoff SPIs will come from the subcontractor/supplier level because it accounts for 70% of end item costs.

We believe we can take what we have learned thus far from the IPT's top-down sector analysis and combine it with grass-roots marketing approaches in use at some DCMC field offices to develop a model for targeting high potential contractors and processes. We plan to have the DCMC Industrial Analysis Support Office (IASO) continue its analysis of the top 200 DoD Contractors to assist in this effort.

## **Measuring Results**

One of our objectives is to measure SPI results and link this information to individual programs in lieu of only collecting and reporting cost benefit information in aggregate. It is hoped this will allow us to ascertain cost impacts on specific programs and capture future cost avoidance directly resulting from SPI. Some examples of benefits associated with programs and acquisition cost impact are highlighted below:

- McDonnell Douglas Helicopter Systems, Mesa, AZ, is a good example of SPI innovation with its proposal to reduce the variety of wires used in fabricating aircraft and missile wire harnesses. Annual savings to the Army's Longbow helicopter program will be \$538,000, starting in 1998. When applied to the C-17, F-18, F-15, and Harpoon missile programs (expected in 1998), anticipated savings will be \$5 million annually.
- General Dynamics, Land Systems Division (GDLS) has negotiated eight SPI modifications that have improved the way GDLS, the Tank Automotive Command, and DCMC do business. For example, they have eliminated multiple processes (testing requirements and data deliverables), implemented the use of best commercial practices (GDLS implemented a pollution prevention program, which exceeds the requirements of Presidential Executive Order 12856), and reduced the level of government oversight (subcontractor control process). These improvements were included in a September 1996, multi-year performance-based contract for the production of 580 M1A2 tanks. The initial terms of the contract (M1A2 Army Tank Upgrade program) cited a "90 tanks per year" production rate. The eight SPI modifications were key to negotiating an increased production rate of "120 tanks per year", and contributed, in part, to \$214 million in cost reductions realized in the multi-year contract.
- United Defense Limited Partnership has modified 14 concept papers related to technical processes in contractor and supplier systems, logistics, and configuration management. Immediate savings on existing contracts equal nearly \$1 million with total cost avoidance projected to be over \$5 million through 1998.

## **Facilitating Supplier Involvement**

Marked progress was made on May 16, 1997, when the Deputy Under Secretary of Defense (Acquisition & Technology) (DUSD (A&T)) issued a policy memorandum, allowing contractors the freedom to substitute government accepted subcontractor processes in lieu of flowing down conflicting prime contract requirements. Management Councils were instructed to facilitate and enable the rapid implementation of this new policy.

Other activities were initiated during the quarter to extend the benefits of SPI to defense subcontractors, suppliers and vendors. For example, the Defense Contract Management District West (DCMDW) conducted a study to examine the inter-relationship between prime and subcontractors and the obstacles subcontractors encounter as they attempt to participate in SPI. Among the barriers identified by subcontractors were the large number of primes the subcontractors must serve, the difficulty in obtaining agreement among primes, the lack of engineering resources, the initial investment required and privacy concerns. DCMC is exploring ways to facilitate removal of these obstacles without disturbing privity of contract between prime and subcontractors.

In addition, individual companies and industry associations are beginning to take a more active role in facilitating supplier involvement in SPI. Lockheed Martin Astronautics Material Management Center in Fort Worth, Texas, conducted their first SPI Supplier conference on April 30, 1997. Over 100 representatives of key aerospace suppliers participated. The intent of the conference was to give Lockheed Martin's suppliers a better understanding of SPI and to encourage greater supplier participation in the SPI process. McDonnell Douglas and Boeing have conducted similar symposiums to raise supplier awareness of both acquisition reform and SPI.

The Aerospace Industries Association (AIA) established a Supplier Management Council (SMC) consisting of 10 companies (four primes and six suppliers). This council is interested in formulating an education and outreach program for supplier SPI issues as well as establishing consistency in SPI implementation. The first area to be explored by AIA/SMC is the development of a standardized concept paper format for subcontractors/suppliers to use when proposing an SPI process to their prime contractors.

## **SPI and New Procurements**

On April 30, 1997, the Principal Deputy Under Secretary of Defense (Acquisition & Technology) issued a memorandum addressing SPI and new procurements. This memorandum directs that single processes accepted by Management Councils shall be accepted in lieu of specific military or federal specifications called for in the solicitation. Exceptions to this direction must be approved at the Head of Contracting Activity/Program Executive Officer level without authority of delegation. The memo also instructed the Director, Defense Procurement to promulgate this policy via the Defense Federal Acquisition Regulation Supplement (DFARS)

A proposed DFARS Case was developed and opened by the Defense Acquisition Regulation Council (DARC) to facilitate contractor use of government accepted SPI processes on future procurement actions. To expedite relief for contractors in this area, the DARC agreed to sponsor an interim rule to promulgate this policy through the DFARS. The interim rule has been approved and should be published in the Federal Register within a month. Subsequently, these revisions will be published in a Defense Acquisition Circular. Adoption of this policy will alleviate the concern that benefits gained through SPI implementation will be lost if new or follow-on contracts revert back to military or federal specification requirements.

## **Management Councils**

On April 11, 1997, Major General Drewes conducted a video-teleconference (VTC) to announce the beginning of "Management Council Quarter" and to discuss his perspective on expanding the role of Management Councils. Mr. Reed, Director, Defense Contract Audit Agency (DCAA), was also on hand to voice his support and assist in answering specific questions from across the Command.

DCMC conducted many activities aimed at expanding the role of Management Councils and improving contractor/government operations. A special section was established on the DCMC Home Page for posting information on Management Councils. Additionally, at the semi-annual DCMC Commander's Conference, workshops highlighting the expansion of the role of Management Councils beyond SPI were conducted. Potential areas of opportunity were featured, including elimination of redundant reviews/audits and using Management Councils to process Value Engineering Change Proposals.

On June 3, 1997, DCAA issued guidance supporting the expanded role of Management Councils. This memorandum stresses the importance of DCAA's participation in the acquisition streamlining processes and emphasizes that Field Audit Offices should actively participate on Management Councils and provide any financial advice needed.

## **Acquisition Pollution Prevention Initiative (AP2I)**

On May 15, 1997, Mr. Longuemare, DUSD(A&T) commissioned AP2I and directed DCMC take the lead for its implementation. The purpose of AP2I is to facilitate the reduction or elimination of hazardous materials (HAZMATs) from weapons system design, manufacturing, and logistic sustainment processes. It uses the Management Council as a forum for discussions and coordinating environmentally focused process improvement activities. It maintains and improves the link between the SPI and Joint Group on Acquisition Pollution Prevention (JG-APP) partnerships. The AP2I process is similar to the SPI process except it extends the 120 day SPI target to 420 days in recognition of a Development Phase for preparing a test protocol and business plan, and a Validation Phase for testing and reporting alternatives. Using the existing SPI/Management Council structure, AP2I will facilitate identifying and evaluating alternative materials and processes that promise to reduce costs as well as environmental impacts of those currently in use.

## **Packaging**

The Block Change Management Team is looking for contractor innovations submitted under SPI that cut across most industry sectors and military services. The Team is currently placing emphasis on proposals dealing with packaging issues. Based on the Team's interest in this area, the Defense Logistics Agency, DCMC, and representatives from various functional areas within the Office of the Secretary of Defense (Acquisition Reform, Industrial Affairs, and the Defense Packaging Policy Group) are currently discussing options for facilitating acceptance of packaging changes proposed under SPI. At least one barrier has already been identified by the group for implementing commercial packaging on existing DoD contracts. Newly implemented MIL-STD-2073-1C (issued November 1996) accommodates the use of commercial packaging, however, the funds needed to update the Military Services' and DLA's automated packaging requirements systems have not been available. The participants mentioned above are developing an estimate of the funds required to make the needed system updates and recommending necessary actions to remove implementation barriers. More will be provided on this issue as it evolves.



## **NASA**

Twenty-five NASA contractors have submitted concept papers involving 202 contractor processes. The review and coordination process was consuming more time and resources than NASA originally anticipated. As a result, the NASA Centers asked for improvements in the way concept papers are received, reviewed, and coordinated. While awaiting issuance of guidance to institutionalize these improvements, we are effectively utilizing our DCMC Customer Liaisons to close the communication gap and expedite the coordination process.

## **Sharing Successes**

There has been a significant surge in the number of contractors sharing their non-proprietary SPI success stories and facility points of contact to field questions and provide additional information. By design, this endeavor serves as an SPI multiplier, allowing industry to build on SPI successes and build synergistic relationships to advance contractor participation in SPI. This information is summarized on DCMC's Home Page ([http://www.dcmc.dcrb.dla.mil/spi/f\\_block.htm](http://www.dcmc.dcrb.dla.mil/spi/f_block.htm)).

## **Strategic Planning**

As SPI evolves, we must review and adjust our implementation approach due to the pace of the program. The Block Change Management Team is baselining progress, examining the current program management strategy, and making necessary adjustments to raise the sophistication of the effort. A small IPT has been chartered to draft a new SPI strategic plan that is intended to guide the Block Change Management Team's efforts to maximize program results. We expect the plan to be completed shortly.

## **Increasing Participation/Enhancing Awareness**

In addition to the Block Change Management Team's strategic planning efforts, the members continue to push for more participation and increased awareness. Below is a synopsis of several activities aimed at achieving those objectives.

- The Army is encouraging their major commands to review and concentrate on the top 200 DoD contractor list. Additionally, Brigadier General William Bond, USA, and Mr. Sydney Pope, DCMC/SPI met with management Council representatives from several Army facilities. They discussed Acquisition Reform highlighting recent SPI activities and encouraged efforts to increase efficiencies and reduce cost.
- The Navy targeted contractors with the largest share of Navy procurements. Their objective was to solicit more SPI activity and to determine the level of involvement within management. Additionally, they utilized Government and Industry Data Exchange Program (GIDEP) to query industry on SPI interest.
- The Air Force is concentrating on increasing participation among smaller contractors as the majority of their major contractors are participating in SPI.

- DCMC, through the districts, is concentrating on geographical field offices. DCMC District West developed a six pronged marketing approach: 1) target “high potential” contractors, 2) develop specific contractor profiles, 3) develop a tightly focused marketing presentation, 4) get top management involved right away, 5) expand the Management Council’s role, and 6) aggressively follow-up. (See the DCMC home page under Management Councils for additional information).
- The DCMC SPI Management Team is conducting bi-weekly VTCs with its District offices. These VTCs ensure a uniform interpretation of the SPI agenda, ensure our activities are consistent with OSD’s strategic direction, and delineate clear roles and responsibilities.
- DCMC McDonnell Douglas Long Beach conducted a 2 day C-17 Supplier Advisory Council Conference May 15-16, 1997. The attendees consisted of executives from eleven C-17 suppliers, along with senior representatives from the program office, DCMC McDonnell Douglas Long Beach, and the prime. The mission of the Advisory Council is to provide a forum for McDonnell Douglas and suppliers to proactively and jointly deploy key strategic initiatives, reduce costs, improve quality of products and processes, enhance competitive posture, and focus on customer satisfaction. The DCMDW SPI Team was given an opportunity to discuss SPI and assist the participants in understanding the SPI process and in particular, the process of escalating problems. We hope to have a more involved role during next year’s meeting.
- On May 22, 1997, Mr. Sydney Pope, HQ DCMC SPI Team, participated in a Joint Industry Conference (JIC) planning meeting with representatives from the Aerospace Industries Association, Electronic Industries Association, and OSD. Other industry associations are expected to join the JIC planning group. The theme for this year's conference is SPI. The conference is tentatively scheduled for October 28-30, 1997 at the Sheraton National Hotel in Arlington, VA. The panels and workshops will cover SPI topics such as high payoff processes, subcontractor SPIs, the role of Management Councils, and consideration. This will be a very important conference for promoting SPI and expanding the role of Management Councils.
- On June 17, 1997, Mr. David Robertson, HQ DCMC SPI Team, and Mr. William Evans, Defense Contract Management District International (DCMDI) briefed the Defense Fuel Supply Center (DFSC) Commander and staff on SPI and Management Councils. The purpose of the presentation was to provide DFSC with an overview of how these tools can facilitate improvements, such as reducing or streamlining site inspections. For example, DCMDI Quality Assurance Representatives (QARs) are currently required to inspect each “Into-Plane” contract site every six months. This is done even at locations currently used by major airlines where past quality performance is well established. By reducing site inspections where risks are low and past performance is excellent, DCMDI estimates immediate savings of \$135,000 in FY 98 in travel costs alone. More importantly, DCMDI QARs would be able to focus greater attention on fuel sites that represent higher safety and quality risks. While this example reduces DCMDI operational costs, we believe other opportunities for substantial savings also exist in DoD fuel procurement (during FY 96, DFSC managed over \$3.7 billion in DoD fuel purchases). DFSC is looking into the most effective use of SPI and Management Councils.

## **Concluding Remarks**

Our focus on removing barriers to SPI implementation is building confidence in both industry and government circles that the Department can quickly respond to issues and concerns that impede progress. New DoD policy governing the use of SPI on new contracts and flexibility granted to prime contractors for

use of Government accepted SPI processes at the sub-tier level are good examples. There is still work to be done to address emerging issues such as packaging practices where opportunities for reducing cost across DoD programs appear abundant. It is also important that we stay our course in prioritizing concepts to pursue those having the greatest payoff potential. This focus has contributed to new innovations recently submitted by contractors that either already have or are likely to produce benefits to individual programs.

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- Appendix G - Types of Process Changes**
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- Appendix K - NASA Executive Summary**

# **APPENDIX A**

# Summary Report

As of: Tuesday, June 30, 1997

Contractors That Have Submitted Concept Papers: 202  
 Key Customer Notification Complete: 161  
 Component Team Leaders Identified: 128  
 Total Concept Papers Received: 872  
 Concept Papers Withdrawn: 136

**Concept  
Papers**

**Proposal  
Development:  
Concept Paper  
(30 Days)**

*Concept papers may contain multiple processes*

*Total Proposed Process Changes:* 941  
 Number Initially Accepted : 854  
 Not Accepted Within 30 Days of Initial Submission: 37

**Approval Cycle:  
Customer  
Notification and  
Agreement/  
Resolution of  
Differences  
(60 days)**

Found Technically Acceptable: 603  
 Found Technically Unacceptable: 32  
*Components objecting*

AF	Army	Navy	DLA	DCMC	NASA
17	18	23	4	17	2

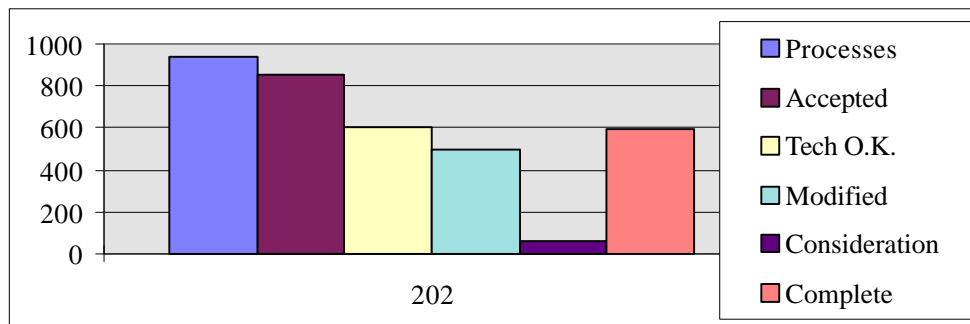
Disagreements/Problems Escalated: 1  
 Not approved within 60 days of Mgt Cncl Acceptance: 97

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**Modification  
Issuance:  
Negotiation of  
Consideration  
(30 Days)**

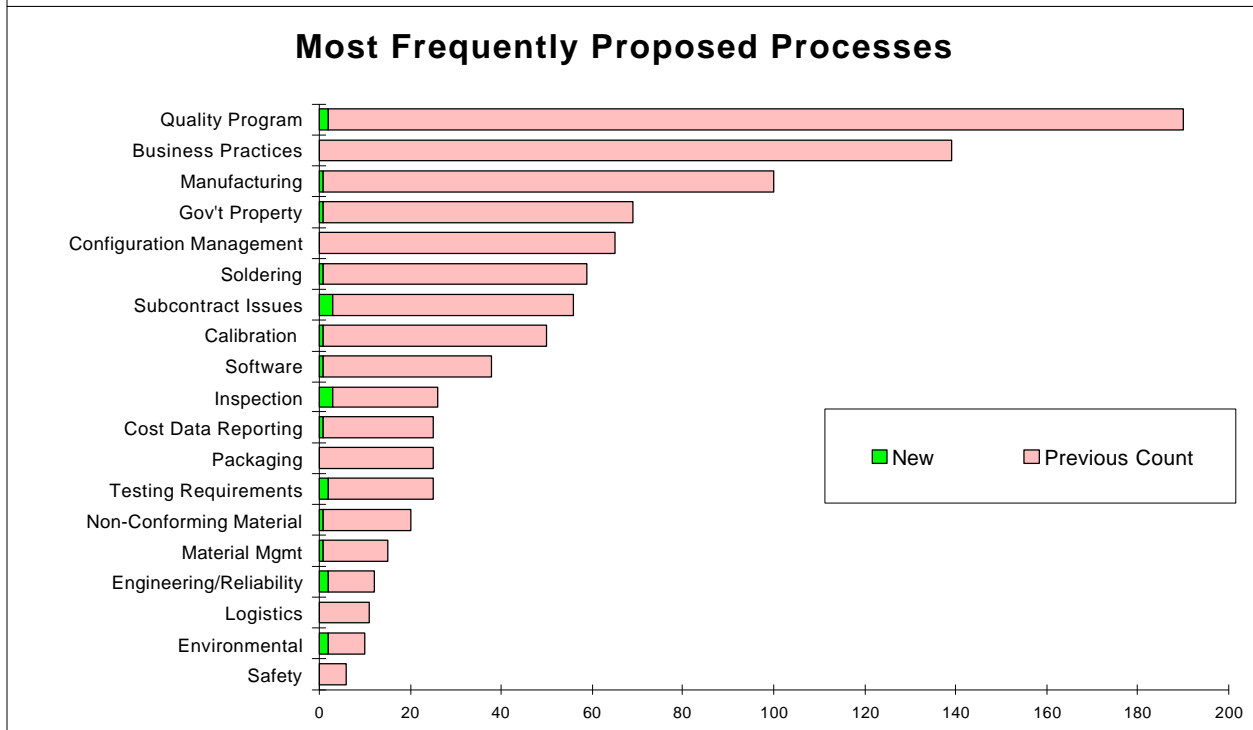
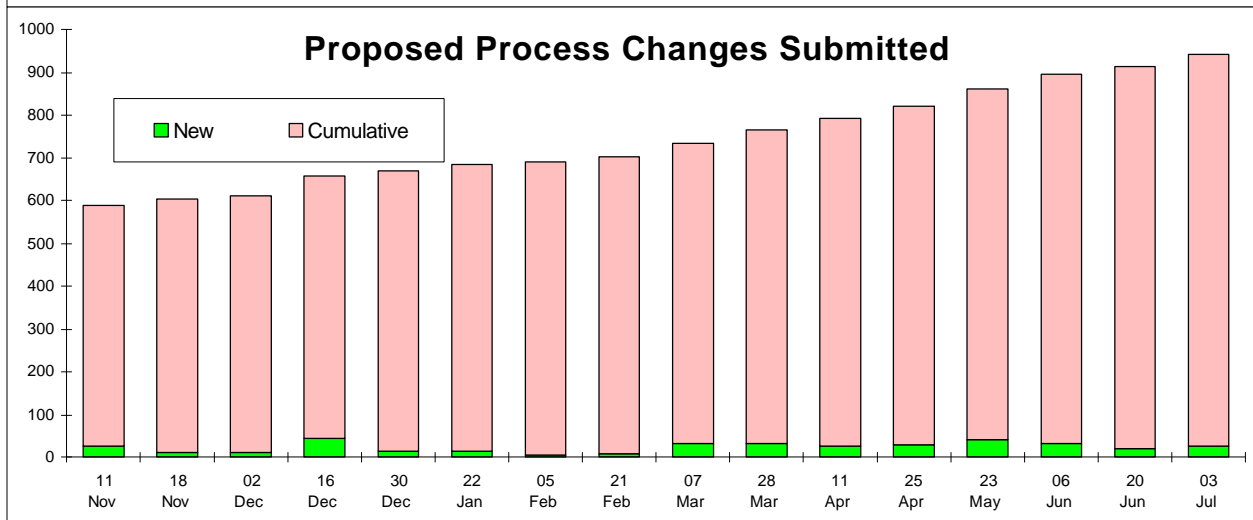
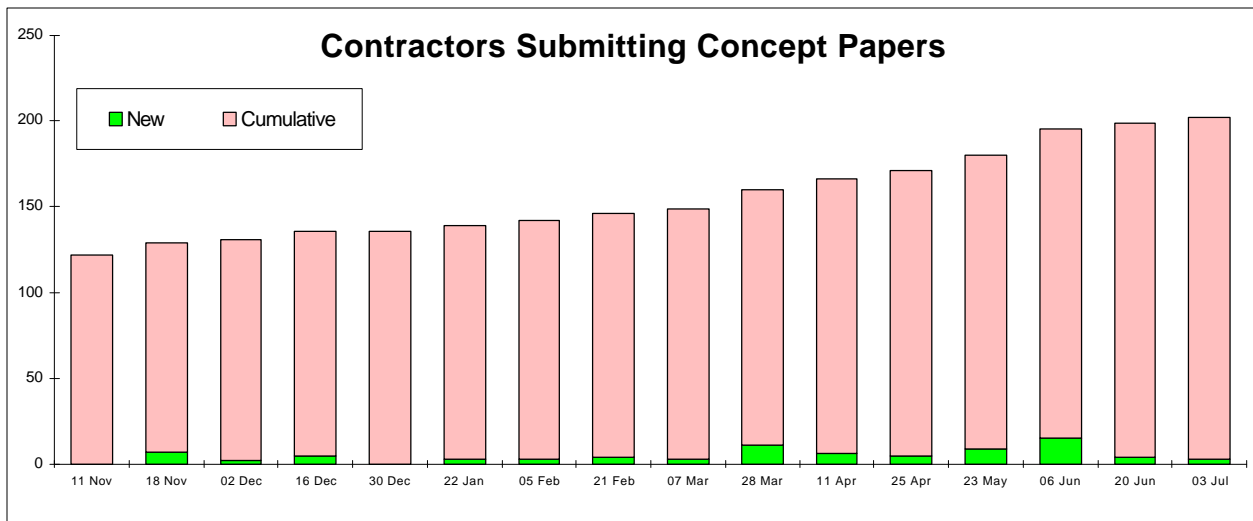
Processes Modified: 493  
 Not Modified within 30 days after Tech Acceptance: 38  
 Average Days From Submittal to Mod: 134

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 Consideration Requested by Government: 61  
 Cost Proposals Received: 46  
 Consideration Finalized: 24  
 All Actions Complete: 592  
 Currently Active: 349



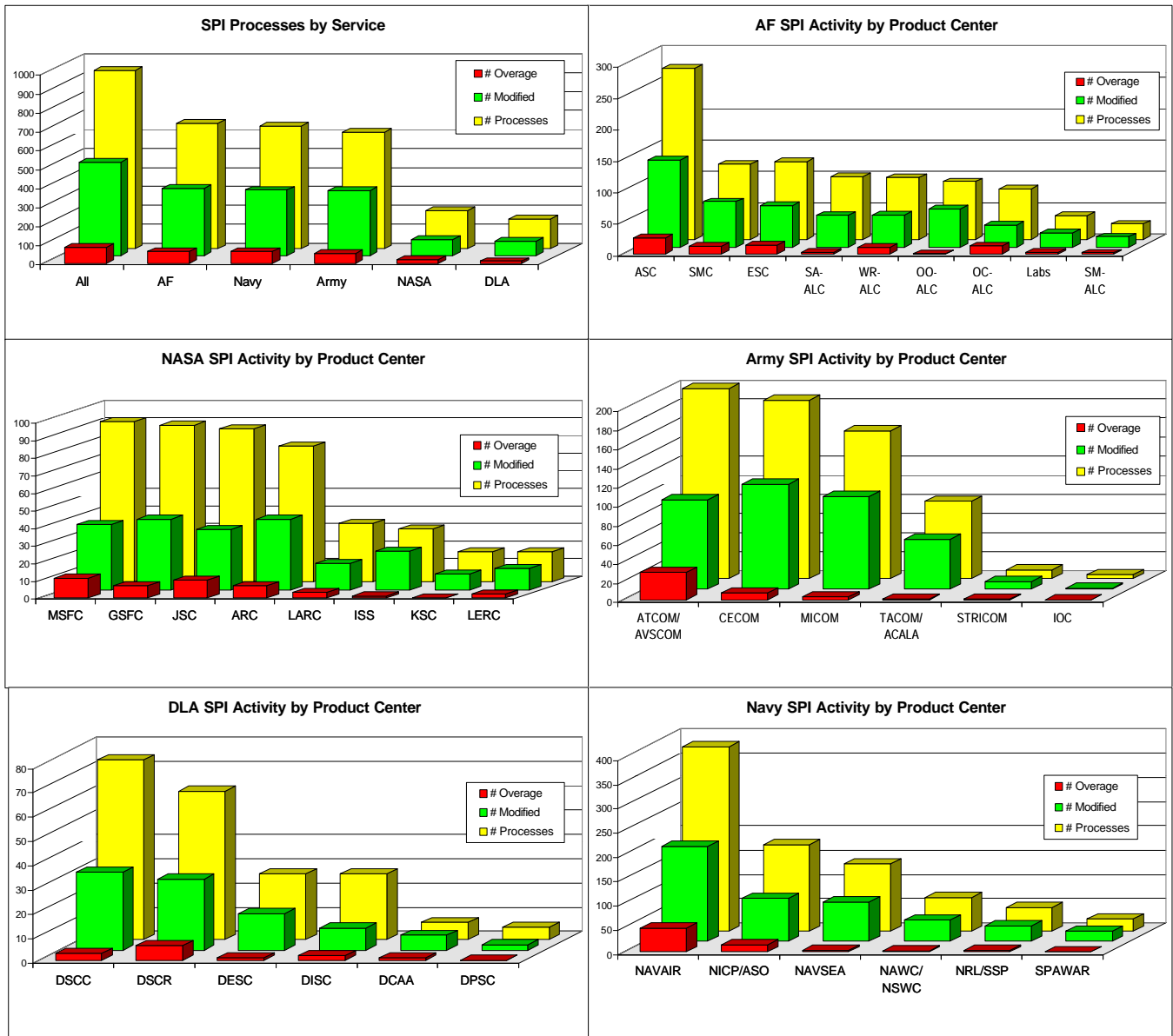
Appendix A

# **APPENDIX B**





## SPI Demographics by Service and Buying Office



Appendix B

# **APPENDIX C**

### ***Details on Block Change Modifications Completed During this Reporting Period***

<b><u>Contractor</u></b>	<b><u>Old Process</u></b>	<b><u>New Process</u></b>
AAI Corporation, Hunt Valley, MD	MIL-STD-1535B, Supplier QA Reqmts MIL-STD-45662, Calibration Systems DFARS 242.803, Contractor Billing Process MIL-STD-973, Configuration Mgmt DOD-STD-100C, DOD-STD-100D(AR), MIL-STD-100E Eng Drawing Practices	AAI's Preferred Supplier Program ISO-10012-1 Direct Billing: Submit Vouchers to DFAS ANSI/ISO/ASQC Q10007-1995 ISO-9001 Engineering Procedures
Allied Signal Avionics, Olathe, KS	DFARS 211, FAR 52.212-4/-5, 44.402, 52.244-6	Incorporate new FASA Regs on COTS Items IAW FAC 90-38
Allison Engine Company, Indianapolis, IN	DOD-STD-2167A/-2168	Contractor's S/W Development Process
Applied Research Associates, Inc., Albuquerque, NM	Contractor Billing Reqmts	Direct Submittal of Vouchers to DFAS
B.F. Goodrich Aerospace, Vergennes, VT	MIL-STD-45662 Calibration Systems Reqmts	ISO-90012-1 Quality Assurance Reqmts for Measuring Equipment
Boeing N. American, Aircraft Div. (NAAD), Seal Beach, CA	MIL-STD-785, Reliability	KTRs Internal Reliability Process
Boeing Defense & Space Group, Product Support Division, Wichita, KS	MIL-STD-965B, Parts Control Config control of Hardware Dwgs MIL-P-55110, Manufacture, printed wiring boards	Internal Boeing processes Corporate substitution document at highest level Best commercial practices
Boeing Defense & Space Group, Huntsville, AL	Contractor Billing Reqmts	Direct Submittal of Vouchers to DFAS
Boeing Defense & Space Group, Seattle, WA	MIL-P-55110, Manufacture, printed wiring boards Config control of Hardware Dwgs Various MIL SPECS Multiple MIL SPEC & STDs on Soldering Reqmts MIL-STD-1567A, Manufacturing MIL-C-9949,9968, MIL-STD-155,804, Microfilming	Best commercial practices Corporate substitution document at highest level Common Parts Control ANSI/J-STD-001 Common Soldering Process Boeing Work Measurement Process Boeing System for Data Retention

***Details on Block Change Modifications Completed During this Reporting Period (Cont)***

<b><u>Contractor</u></b>	<b><u>Old Process</u></b>	<b><u>New Process</u></b>
Boeing Defense & Space Group, Helicopters Div, Philadelphia, PA	Contractor Billing Requirements MIL-Q-9858A	Submit billing vouchers directly to DFAS ISO-9000 based Quality System
Boeing N. American, Rocketdyne Div., Canoga Park, CA	DOD-STD-2167A/-2168, MA-001-006-2H, NMI-2410.6 MIL-Q-9858A, MIL-STD-1520B, NHB 5300.4(1B), SSP 41173A	EIA/IEEE J-STD-016-1995 ISO-9001 based Quality System
Crane, Lear Romec, Elyria, OH	MIL-Q-9858A, MIL-I-45208A, Quality	ISO-9001 based Quality System
G.E. Aircraft Engines, Cincinnati, OH	MIL-STD-454, Configuration Mgmt	KTR Process
G.E. Aircraft Engines, Cincinnati, OH; Lynn, MA; Arkansas City, KS	FAR 52.244-6, Subcontracts for Commercial Items and Components	FAR 52.244-6, Subcontracts for Commercial Items
G.E. Aircraft Engines, Cincinnati, OH; Lynn, MA; Arkansas City (Strother Field), KS	ARP (AS) 1055 Fire testing of hoses	Contractor process
GEC-Marconi, Wayne, NJ	MIL-Q-9858A MIL-STD-1520C MIL-STD-1686 MIL-STD-1535 MIL-STD-899 MIL-STD-965	ISO-9001 based Quality System ISO-9001 Internal Process ANS/EIA-625 Electrostatic Discharge ISO-9001 based Quality System Tailored MIL-STD-889 for Manufacturing ISO-9001 based Quality System
General Dynamics Defense Systems (GDDS), Pittsfield, MA	MIL-I-45208, OD21549 MIL-STD-45662	ISO-9001 based Quality System ISO-10012 Calibration
Godfrey Aerospace, Piqua, OH	MIL-STD-45662A MIL-Q-9858, MIL-I-45208A	ISO-10012 Calibration System ISO-9001 based Quality System
Gulton Statham Transducers Inc., Costa Mesa, CA	MIL-Q-9858A	ISO-9001 Based Quality System

***Details on Block Change Modifications Completed During this Reporting Period (Cont)***

<b><u>Contractor</u></b>	<b><u>Old Process</u></b>	<b><u>New Process</u></b>
Hamilton Standard Division of UTC, Windsor Locks, CT	MIL-STD-480, 483, 973	ISO-9001 Based Quality System (Section 4.4, Design Control)
Hughes Aircraft Mississippi, Inc., Forest, MS	MIL-STD-2000A, Soldering Reqmts	ANSI/J-STD-001A Industry Soldering Standard
Litton Electro-Optical Devices, Tempe, AZ	MIL-STD-454/2000	ANSI/J-100, Solder Specification, Class II
Lockheed Martin Astronautics, Denver, CO	MIL-C-45662A Calibration MIL-STD-1528 Manufacturing Management	ANSI/NCSL Z540-1, ISO-10012-1 LMA Command Media
Lockheed Martin Electronics Defense Systems, Yonkers, NY	DOD-STD-2167/-2168, Software Development	MIL-STD-498
Lockheed Martin Electronics and Missiles, Orlando, FL	MIL-STD-105 Inspection MIL-P-55110, MIL-P-50884	ANSI/ASQC Z1.4-1993 Sampling Procedures MIL-PRF-31032, Printed Wiring Board Fabrication
Lockheed Martin Electro-Optical Systems, Pomona, CA	MIL-STD-130 Marking of Printed Circuit Board & Assemblies	Contractor's Specification (LMPS 10.805)
Lockheed Martin Federal Systems, Manassas, VA	MIL-Q-9858A, MIL-I-45208, DOD-STD-2168	ISO-9001 based Quality Mgmt System
Lockheed Martin Government Electronic Sys, Moorestown, NJ	Contract Data Items, Qtrly Defect Summary Reports FAR 31.205-18(c)(2)(ii)	Replace Gov't format with KTR format Eliminate the IR&D/B&P reporting reqmt
Lockheed Martin Missiles & Space, Sunnyvale, CA	C/SCSC - DFAR 252.234-7001	Contractor's EVMS
Lockheed Martin Tactical Aircraft Systems, Ft. Worth, TX	MIL-STD-965	Ktr's Internal Parts Control Process
Lockheed Martin, Johnson City, NY	DOD/MIL-STD-2167A/-498	Contractor's S/W Development Process

### ***Details on Block Change Modifications Completed During this Reporting Period (Cont)***

<b><u>Contractor</u></b>	<b><u>Old Process</u></b>	<b><u>New Process</u></b>
Lockheed Martin, Syracuse, NY	DOD/MIL-STD-973/-480/-481/-482/-483/-490/-804/-1521/-17655/-31000/-105E	ANSI/ISO/ASQC Q10007, Ktr Config Mgmt
Loral Space Systems, Palo Alto, CA	Reqmt for GBLs on shipments > \$100	Approval by Ktr
McDonnell Douglas Helicopter Systems, Mesa, AZ	Various FAR Requirements  FAR and DFARS FAR and DFARS Subcontractor and Supplier Representations and Certifications	Implementation of Post-(FASA) Regs to Existing Contracts Submission of Proposal Reps & Certs Comprehensive Subcontractor and Supplier Representations and Certifications
McDonnell Douglas Corporation, St. Louis, MO	FAR 4.804-5 and Public Law 101-510 (Nov 90)	Accelerated Contract Closeout
Northrop Grumman ESID & SBMS, Melbourne, FL	MIL-Q-9858A, MIL-STD-1567, MIL-E-5400	ISO-9000 based Quality System
Northrop Grumman MASD, Hawthorne, CA	MIL-STD-1520 Non Conforming Material MIL-STD-45662	Elimination of MIL-STD-1520 KTRs internal Calibration procedures
Northrop Grumman Electronic Warfare Systems, Rolling Meadows, IL	MIL-P-50884/55110, MIL-STD-275 MIL-M-38535/38510/38534, MIL-STD-1772	Industry STD IPC/RB-276 & IPC/RF-245 Best Value Mfg Plan approach/process
Northrop Grumman ESID & SBMS, Bethpage, NY	MIL-Q-9858 Quality	ISO-9001 based Quality System
Ohm Remediation Services Corp, Findlay, OH	Contractor Billing Process	Direct Billing: Submit Vouchers to DFAS
Raytheon Aircraft Company (RAC), Wichita, KS	Ground Flight Risk DFARS 252.228-7001	Commercial Practice and Contractor Risk
REMEC Inc., San Diego, CA	MIL-I-45208	ISO-9001 based Quality Inspection System
Rockwell - Collins Avionics & Communications, Cedar Rapids, IA	MIL-STD-973/483/1521 Config Mgmt	EIA/IS-649

***Details on Block Change Modifications Completed During this Reporting Period (Cont)***

<b><u>Contractor</u></b>	<b><u>Old Process</u></b>	<b><u>New Process</u></b>
Rockwell - Collins Avionics and Communications Div., Cedar Rapids, IA	FAR Part 44, Contractor Purchasing System Review (CPSR)	Use CRAG Internal audit process
Santa Barbara Research Center, Goleta, CA	Govt Soldering Standards	ANSI/J-STD-001A Industry Soldering Std
Sechan Electronics, Inc., Lititz, PA	MIL-Q-9858A, MIL-I-45208	ISO-9002 based Quality System
Snap-Tite Inc., Union City, PA	MIL-I-45208A MIL-STD-45662A	ISO-9001 based Quality System ISO-10012-1, Calibration
Spectral Systems, Inc., Dayton, OH	Contractor Billing Process	Direct Billing: Submit Vouchers to DFAS
Spectra Research, Inc., Dayton, OH	Contractor Billing Process	Direct Billing: Submit Vouchers to DFAS
Sundstrand, Rockford, IL	MIL-STD-9868 MIL-STD-973, DCMC 100% Class II ECP Review	ANSI/AIIM MS23, Microfilm DCMC Sampled Review of Class II ECPs
Sverdrup, Dayton, OH	Contractor Billing Process	Direct Billing: Submit Vouchers to DFAS
Synetix, Inc., Las Cruces, NM	Contractor Billing Requirements	Submit billing vouchers direct to DFAS
Talley Defense Systems, Inc., Mesa, AZ	SF 1443	Electronic Data Interchange (EDI)
Technical Solutions, Mesilla Park, NM	Contractor Billing Requirements	Submit billing vouchers direct to DFAS
TRW Avionics Systems Division, San Diego, CA	Contractor Billing Reqmts	Direct Submittal of Vouchers to DFAS
TRW Space and Electronics Group (S&EG), Redondo Beach, CA	MIL-STD-45662 & NHB 5300.4  MIL-STD-1546/1547/975/965/454, Parts Procurement STDs MIL-Q-9858, MIL-I-45208, MIL-S-52779A, SAMSO-STD-73-5B	ISO-9001, ANSI/NCCL Z540-1 Metrology /Calibration System Contractor's Parts Material & Processes Mgmt System, DD24287 ISO-9001 based Quality Oversight System

***Details on Block Change Modifications Completed During this Reporting Period (Cont)***

<b><u>Contractor</u></b>	<b><u>Old Process</u></b>	<b><u>New Process</u></b>
TRW Systems Integration Group (SIG), Dominguez Hills, CA	Standard Product Assurance Plan for Spacecraft and Space Systems Flight H/W	Parts, Materials, and Process
United International Engineering, Inc., Albuquerque, NM	Contractor Billing Rqmts	Direct Submittal of Vouchers to DFAS
United Technologies - Chemical Systems Div., San Jose, CA	MIL-STD-1535/45662/1520, MIL-Q-9858, MIL-I-45208	ISO-9000 based Quality System
Voss Scientific, Albuquerque, NM	Contractor Billing Reqmts	Direct Submittal of Vouchers to DFAS
Westinghouse Electric Corporation, Baltimore, MD	MIL-STD-2000/-2000A, MIL-P-28809A	ANSI/J-STD-001 Industry Soldering Standard



## **APPENDIX D**

### ***Details on New Contractors During this Reporting Period***

<b><u>Contractor</u></b>	<b><u>Old Process</u></b>	<b><u>New Process</u></b>
Aerojet ElectroSystems, Azusa, CA	MIL-Q-9858 & NHB-5300 series Quality reqmts	ISO-9000 based Quality System
Applied Data Technology, Inc., San Diego, CA	Submittal of vouchers to DFAS via DCAA	Direct submittal
Applied Research Associates, Inc., Albuquerque, NM	Contractor Billing Reqmts	Direct Submittal of Vouchers to DFAS
Applied Data Technology, Inc., San Diego, CA	Submittal of vouchers to DFAS via DCAA	Direct submittal
Boeing Guidance Repair Center, Heath, OH	DoD-2002,-1-2-3-4, MIL-STD-200A	ANSI/J-STD-001B, Class2/3
Buckeye Rubber, Lima, OK	MIL-SPEC-ZZ-H-428D	SAE201R(Style2012)
Carver Pump Company, Muscatine, IA	MIL-Q-9858A, MIL-I-45208	ISO-9001 based Quality System
C J Machine Inc., San Antonio, TX	MIL-I/STD-45208A/-1535/-1520/-100/-973 MIL-STD-45662	ISO-9002 based Quality System ISO-9002 based Calibration System
Delavan Gas Turbine Products Division, West Des Moines, IA	MIL-Q-9858 & MIL-I-45208 Quality & Inspection Stds	ISO-9001 based Quality & Inspection System
ELANO Corporation, Dayton, OH	MIL-Q-9858 MIL-STD-2000/-2000A/-454/-45743, WS6536	ISO-9000EFW, Inc., Ft. Worth, TX ANSI/J-STD-001 Class III Soldering
Fidelity Technologies Corp., Reading, PA	MIL-STD-45662A Calibration Systems	ISO-10012-1:1992(E)
Fike Metal Products, Blue Springs, MO	MIL-I-45208, MIL-Q-9858, Quality Military Packaging	ISO-9001 based Quality System Commercial Packaging
G.E. Support Services, Mt. Laurel, NJ	MIL-I-45208 MIL-Q-9858, Mil-I- 45208 MIL-STD-45662	ISO9001/ANSI/ASQC-Q9001 ISO9002/ANSI/ASQC-Q9002 ANSI/NCSL-Z540-1-1994 Calibration System

### ***Details on New Contractors During this Reporting Period (Cont)***

<b><u>Contractor</u></b>	<b><u>Old Process</u></b>	<b><u>New Process</u></b>
GEC Marconi Hazeltine, Greenlawn, NY	MIL-Q-9858A, MIL-I-45208A MIL-STD-1520C Non-Conforming Material MIL-STD-1535 Supplier QA Program Reqmts MIL-STD-1686 MIL-STD-965 Parts Control Program MIL-STD-2000, MIL-STD-2000A, and MIL-STD-454 Requirement 5	ISO-9001 based Quality System ISO-9001 based Quality System ISO-9001 based Quality System ISO-9001 Electrostatic Discharge Program ISO-9001 ANSI/J-STD-001B Class 3 Soldered Electrical and Electronic Assys
GEC-Marconi, Wayne, NJ	MIL-STD-45662 MIL-STD-2000, -2000A, -454	ISO 10012 ANSI/J-STD-001A Class 3 Soldering
Godfrey Aerospace, Piqua, OH	MIL-STD-45662A	ISO 10012
GTE Government Systems, Taunton, MA	MIL-Q 9858A, MIL-I-45208 MIL-STD-2168 MIL-STD-1520, Non Conforming Material MIL-STD-1535, Supplier Quality MIL-STD-105, Inspection MIL-STD-45662, Calibration	ISO-9000 Quality System ISO-9001 Software QA System ISO-9001 ISO-9001 ANSI/ASQC Z1.4 ANSI/NCSL Z540-1
Gulton Statham Transducers Inc., Costa Mesa, CA	MIL-Q-9858A	ISO-9001 based Quality System
High Tech Solutions, Inc., San Diego, CA	Submit Vouchers to DFAS via DCAA	Direct Submittal
Honeywell Military Avionics, Minneapolis, MN	MIL-STD-454/-2000A, MIL-S-45743E	J-STD-001 Soldering Process
Hughes Aircraft Company - Naval & Maritime Systems (NAMS), Mukilteo, WA	MIL-Q-9858, MIL-I-45208, MIL-STD-1520/-1535	ISO-9000-1 based Quality System
Hyperox Technologies, San Diego, CA	MIL-I-45208A	KTR Equivalent Quality System
Jaycor, San Diego, CA	Submittal of vouchers to DFAS via DCAA	Direct Submittal

***Details on New Contractors During this Reporting Period (Cont)***

<b><u>Contractor</u></b>	<b><u>Old Process</u></b>	<b><u>New Process</u></b>
KDI Precision Products, Cincinnati, OH	Mil -Std-454,45743,2000A,1460	J-Std-001
Korean Air - Aerospace Division (Kimhae Plant), Kangseo-gu, Pusan, Korea	MIL-P-85891, Recycle Plastic Media Blasting Material for Aircraft Paint Stripping	Eliminate recycling of Material
Landmark Manufacturing, Gallatin, MO	MIL-I-45208, MIL-Q-9858	ISO-9002 based Quality System
Litton Amecom, College Park, MD	MIL-STD-454, MIL-STD-2000, NHB 5300.4 MIL-STD-105 Sampling Procedures MIL-STD-45662 Calibration	ANSI/J-STD-001 Soldering ANSI/ASQC Z1.4 - 1993 Inspection ANSI/NCSL Z540-1-1994 Calibration
Litton Life Support, Davenport, IA	MIL-STD-45662, Calibration Systems Reqmts	ISO 10012-1, QA for Measuring Equipment
Lord Corporation Mechanical Products Division, Erie, PA; Dayton, OH	MIL-I-45208A, MIL-Q-9858A	ISO-9001 based Quality System
Manchester Tank, Elkhart, IN	MIL-T-704 & MIL-E-52891, Pretreating, painting, and enamel finish coat	Contractor's commercial painting process
Motorola, Scottsdale, AZ	DOD/MIL-STD-2167A/-498/-1703/-7935A	Contractor's S/W Development Process
Northrop Grumman ESID & SBMS, Melbourne, FL	MIL-Q-9858A, MIL-STD-1567, MIL-E-5400 MIL-STD-2167/-2168/-1679 MIL-STD-45662A MIL-STD-1520 MIL-STD-1535	ISO-9000 based Quality System ISO-9003 Software Development ISO-9001 Equipment Calibration ISO-9000/-9004-1 NonConforming Material ISO-9000/-9004-1 Supplier QA
Northrop Grumman Corp., St. Augustine, FL	MIL-STD-2073/-129/-1189, Military Packaging and Bar Coding	ASTMD-3951, STD Commercial Packaging and Bar Coding
Ohm Remediation Services Corp, Findlay, OH	Contractor Billing Process	Direct Billing: Submit Vouchers to DFAS
Orincon, Corp., San Diego, CA	Submittal of vouchers to DFAS via DCAA	Direct submittal

***Details on New Contractors During this Reporting Period (Cont)***

<b><u>Contractor</u></b>	<b><u>Old Process</u></b>	<b><u>New Process</u></b>
Primus Technologies, Inc., Williamsport, PA	MIL-Q-9858A, MIL-M-28787, MIL-I-45208, MIL-STD-105/-2000A/-45662/-1520/-1535	ISO-9001, ANSI-J-STD-001
Raytheon E-Systems, Goleta, CA	MIL-Q-9858 MIL-I-45208 DOD-STD-1679/-2167A, MIL-STD-498 MIL-STD-1520 Non Conforming Material MIL-STD-45662 MIL-STD-2000/-454 Various MIL-SPEC Engineering Drawing Reqmts	ISO-9001 based Quality System Model ISO-9001 based Inspection System Model ISO-9001 based Software Dev. Model ISO-9001 based Quality System Model ANSI/NCSL-Z540-1 Calibration System ANSI/J-STD-001B, Class 3 Soldering Contractor Quality Control Procedures
Raytheon E-Systems, Waco, TX	Fueled Aircraft in Hangers  Subcontracts for Commercial Items	Substitution of National Fire Protection Association Standards (NFPAS) FAR 52.244-7, Subcontracts for Commercial Items
RDL Inc., Conshohocken, PA	MIL-Q-9858, MIL-I-45208 MIL-STD-45662	ISO-9002 based Quality System ANSI/NCSL-Z540-1 Calibration System
REMEC Corporated, San Diego, CA	MIL-I-45208	ISO-9001
Science and Applied Technology, Inc., San Diego, CA	Submittal of vouchers to DFAS via DCAA	Direct submittal
Special Project Services, San Diego, CA	Submittal of vouchers to DFAS via DCAA	Direct submittal
Spectral Systems, Inc., Dayton, OH	Contractor Billing Process	Direct Billing Program: Submit Vouchers to DFAS
Sperry Marine, Inc., Charlottesville, VA	FAR 52.219-9, Annual Business Plan	Submit contractor's small disadvantaged business/subcontracting goals, annually
Sverdrup, Dayton, OH	Contractor Billing Process	Direct Billing: Submit Vouchers to DFAS
Tactair Fluid Controls Inc., Liverpool, NY	MIL-I-45208A, Inspection	ISO-9001 Quality System

***Details on New Contractors During this Reporting Period (Cont)***

**Contractor**

SYS, San Diego, CA

Torrey Science Corporation, San Diego, CA

TRW Avionics Systems Division, San Diego, CA

TRW Space and Electronics  
Group (S&EG), Redondo Beach, CATRW Systems Integration  
Group (SIG), Dominguez Hills, CAUnited International Engineering, Inc.,  
Albuquerque, NM

Voss Scientific, Albuquerque, NM

**Old Process**

Submittal of vouchers to DFAS via DCAA

Submittal of vouchers to DFAS via DCAA

Contractor Billing Reqmts

Contractor Billing Reqmts, DFAR 242.803

DOD/MIL-STD-2167A/-2168/-498,  
NHB-2100-91; Software QA Reqts  
DOD/MIL-STD-2167A/-498  
Contractor Billing Reqmts, DFAR 242.803

Contractor Billing Rqmts

Contractor Billing Reqmts

**New Process**

Direct submittal

Direct submittal

Direct Submittal of Vouchers to DFAS

Direct Submittal of Vouchers to DFAS

US/ISO/IEC-12207, Common Software QA  
System  
US/ISO/IEC-12207, Common Software Dev  
Direct Submittal of Vouchers to DFAS

Direct Submittal of Vouchers to DFAS

Direct Submittal of Vouchers to DFAS

## **APPENDIX E**

***Company Acquisitions***  
***New Contractor Names, Same SPI Efforts***

**New Contractor Name**

Boeing N. American, Autonetics & Missile Sys Div. (A&MSD),  
Duluth, GA

Boeing N. American, Comm & Information Mgmt Sys Div. (C&IMD),  
Anaheim, CA

L-3 Communications, Communications Systems-East,  
Camden, NJ

L-3 Communications, Communications Systems-West,  
Salt Lake City, UT

Loral Western Development Lab,  
San Jose, CA

TRW Systems Integration Group (SIG), Dominguez Hills, CA

**Former Contractor Name**

Rockwell International Corporation, Duluth, GA

Boeing N. American, Comm & Combat Systems Div. (C&CSD),  
Anaheim, CA

Lockheed Martin Government Communications Systems, Camden, NJ

Lockheed Martin Tactical Communications Systems, Salt Lake City, UT

Lockheed Martin Western Development Lab,  
San Jose, CA

TRW System Integration Group (SIG), Redondo Beach, CA (Consolidation)



## **APPENDIX F**

## SPI Participation Compared to DoD SALES

(Top DoD Contractors participating in SPI)

Company	DoD Sales (in \$K)	DoD Rank	Gov't Rank	SPI Participant?	Proposed Processes	Processes Modified	Priority	% of Top 200 Total Sales
Lockheed Martin Corp.	\$11,663,355	1	1	Y	163	77	3	15.10%
McDonnell Douglas Corp.	\$8,101,999	2	2	Y	33	7	3	10.49%
Northrop Grumman Corp.	\$3,098,529	4	8	Y	46	24	2	4.01%
General Motors Corp. (Hughes)	\$3,068,039	5	6	Y	58	35	3	3.97%
Raytheon Co.	\$3,061,388	6	7	Y	26	14	2	3.96%
Boeing Co.	\$2,580,510	7	4	Y	117	37	3	3.34%
Loral Corp.	\$2,507,418	8	9	Y	6	1	2	3.25%
General Dynamics Corp.	\$1,817,621	9	14	Y	19	12	2	2.35%
United Technologies Corp.	\$1,791,745	10	12	Y	46	16	2	2.32%
General Electric Co.	\$1,618,508	11	13	Y	37	22	2	2.10%
Litton Industries Inc.	\$1,280,886	12	17	Y	17	9	3	1.66%
Westinghouse Electric Corp.	\$1,262,824	13	3	Y	5	4	1	1.64%
Rockwell International	\$1,255,306	14	10	Y	24	14	3	1.63%
Science Applications International Corp.	\$966,427	15	18	Y	2	1	1	1.25%
TRW Inc.	\$894,894	16	15	Y	16	11	1	1.16%
FMC Corp. (United Defense)	\$805,015	17	22	Y	18	16	2	1.04%
Texas Instruments Inc.	\$671,928	19	27	Y	21	20	2	0.87%
GTE Corp.	\$664,038	21	26	Y	6	0	1	0.86%
ITT Corp.	\$606,265	22	31	Y	22	20	3	0.79%
Textron Inc.	\$552,064	26	35	Y	16	9	3	0.71%
Tracor Inc.	\$513,573	27	38	Y	4	3	3	0.67%
Allied Signal Inc.	\$495,965	28	21	Y	12	6	3	0.64%
Olin Corp.	\$469,801	31	40	Y	2	1	3	0.61%
Alliant Techsystems Inc.	\$468,261	32	42	Y	3	0	2	0.61%
Chrysler Corp. (Raytheon-Waco)	\$342,428	39	49	Y	6	4	3	0.44%
Honeywell Inc.	\$306,927	41	59	Y	3	0	2	0.40%
Motorola Inc.	\$288,688	45	50	Y	9	5	3	0.37%
Harris Corp.	\$281,381	46	39	Y	1	1	2	0.36%
Rolls Royce PLC	\$200,048	60	90	Y	11	7	2	0.26%
Gencorp Inc.	\$150,095	79	104	Y	1	0	3	0.19%
Cubic Corp.	\$141,709	87	127	Y	1	1	3	0.18%
Oshkosh Truck Corp.	\$129,881	97	140	Y	3	2	3	0.17%
Eaton Corp.	\$104,855	n/r	174	Y	2	2	2	0.14%
Ceridian Corp.	\$102,338	n/r	159	Y	7	2	3	0.13%
<b>TOTALS (Top 200)</b>	<b>\$52,264,709</b>	<b>200</b>	<b>200</b>	<b>34</b>	<b>763</b>	<b>383</b>		

TOTAL (Top 200) \$77,227,026  
Total FY95 Purchases: \$118,466,412

44.12% of Total DoD Sales

**SPI KTRS**  
DoD Sales =  
67.68%  
of Top 200  
KTRS FY95  
DoD Sales

### Legend:

**Bold Text Indicates Companies That Are SPI Participants**

**Priority 1:** High DoD Sales & # of Facilities - No or Minimal SPI Participation, Encourage Company and Cognizant CAO

**Priority 2:** High DoD Sales & # of Facilities - No or Minimal Recent SPI Participation, Follow Up Needed

**Priority 3:** Lower DoD Sales - No or Minimal Participation, Contact Company and Cognizant CAO

**No Priority:** Low Potential for SPI Participation - Petroleum, Shipbuilding, Services, Consulting, etc.

## **APPENDIX G**

## **APPENDIX H**

## **APPENDIX I**

## **APPENDIX J**

## **APPENDIX K**

## NASA Quarterly Report Executive Summary

This summary provides a comparison of SPI activity from last quarter to the current quarter for those contractors where NASA is a customer. As depicted on the enclosed NASA Summary Report, our database reflects the following NASA SPI activity:

	<u>% Change</u>	<u>July 1, 1997</u>	<u>March 31, 1997</u>	<u>December 31, 1996</u>
Proposed processes	8%	202	187	139
Processes modified	32%	87	66	26
Contractors participating	0%	25	25	26
Companies with modifications	5%	22	21	12
Average cycle-time	8%	144	133	103

The increase in NASA SPI cycle-time is due to the modification of a Boeing concept paper that took 375 days to close out due to Boeing's "Corporate Concept Paper" process.



# NASA Summary Report As of: Tuesday, July 1, 1997

Contractors That Have Submitted Concept Papers:	25
Key Customer Notification Complete:	23
Component Team Leaders Identified:	20
Total Concept Papers Received:	200
Concept Papers Withdrawn:	40

Concept Papers

Proposal Development:  
Concept Paper  
(30 Days)

Approval Cycle:  
Customer Notification and Agreement/  
Resolution of Differences  
(60 days)

Modification Issuance:  
Negotiation of Consideration  
(30 Days)

Concept papers may contain multiple processes

Total Proposed Process Changes:	202
Number Initially Accepted :	184
Not Accepted Within 30 Days of Initial Submission:	8

Found Technically Acceptable:						125
Found Unacceptable:						1
Components objecting						
AF	Army	Navy	DLA	DCMC	NASA	
1	3	3	0	6	2	
Disagreements/Problems Escalated:						0
Not approved within 60 days of Mgt Cncl Acceptance:						29

Processes Modified:						87
Not Modified within 30 days after Tech Acceptance:						9
Average Days From Submittal to Mod:						144

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Consideration Requested by Government:	3
Cost Proposals Received:	3
Consideration Finalized:	0
All Actions Complete:	124
Currently Active:	78

